



July 16, 2012

Attn: Mayor, City of London
Members of the Planning Committee

Re: Building Bylaw Amendment – July 16, 2012

While no one is ever pleased to see fees increase, we are appreciative of the openness of the Building Division (specifically George Kotsifas and Peter Kokkorus) in the pursuit of efficiencies through discussion with the industry and the good work they have done containing costs. We are also appreciative of the City's understanding of the continued fragility of the housing industry due to London's slow economic recovery.

Having said that, we wish to make a few comments:

Comparators – We thank the Building Division for having reviewed permit fees in surrounding (smaller) municipalities but question why this information was not included in the report along with the schedule showing the 40 other municipalities in the Large Municipalities Chief Building Officials jurisdiction. Nor was any summary or percentage information included in the report other than to state that London's rates would be greater.

We agree with the statement that standards of living and municipal services differ between London and the smaller municipalities, but that statement also applies to larger municipalities.

It is the smaller municipalities that London's new home industry competes with. It is the smaller municipalities whose citizens often work in London and use our facilities without contributing to London's tax base. A new home built in one of the smaller municipalities often means lost tax dollars for the City.

City Councilors should be given the full picture of information, prior to making decisions to increase any fees. Competition should be a factor to be considered.

Further, using the larger municipalities information as valid comparators, because it is 'consistent with the approach of other London municipal departments' doesn't speak to the relevance of competition with our surrounding municipalities. Rather it indicates that other departments should also consider changing their methodology.

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Staffing – We agree with the proposed intention to maintain the current complement of staff. We appreciate information contained in the report advising of labour intensive projects such as reviews for alternative solutions, letters of conformance, homeowner generated building applications and training time related to significant code changes. We also recognize that in prior years, staff worked numerous hours of over time, however, it has been the consistent position of the LHBA that there are sufficient staff, based on permit levels that are still considerably less than in prior years – see below.

London City	2006	2007	2008	2009	2010	2011
Single Detached	1,449	1,460	983	758	1,097	862
Total Starts	2,916	2,522	1,924	1,820	1,701	1,430

No Fee Increase in 7 years – This statement could be interpreted that an increase is past due, however this fee is strictly a balancing of the recovery of costs and revenue generated through various economic cycles. The current slow economic recovery in London is the major influence in the timing of a change to this fee.

Effective date of change – Typically home buyers take 3- 6 months to research and finalize their purchase of a new home. We thank the City for recognizing the industry’s need for time to reflect this fee increase in conversations with home buyers and in home sale prices. Just as all manufactured products, the sale price of a new home, is the sum of the costs of all components.

Lastly we applaud the Building Division for recognizing the importance of maintaining the affordability of homes in London and the benefits for taxpayers, jobs in the housing industry, attraction for new businesses and the economic spin off from a health housing industry.

Yours truly,

Lois Langdon, Executive Officer
London Home Builders’ Association

London Home Builders' Association

Mission Statement - LHBA is committed to provide a forum for its members to share information and experience; promote ethical building and business practices; be the voice of the residential construction industry in London and to work towards the betterment of our community.

TEAM - Together Everyone Achieves More

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